

24 January 1963

DDCI Briefing for
Senator Stennis

CUBA

I. CUBAN ECONOMY CONTINUES TO DETERIORATE

A. INADEQUATE SUPPLIES AND POOR DISTRIBUTION OF CONSUMER GOODS, PARTICULARLY FOOD AND CLOTHING, ARE MAJOR IRRITANTS AMONG PUBLIC

1. FOOD RATIONING, BEGUN LAST MARCH, HAS NOT ASSURED IMPARTIAL DISTRIBUTION ~~EXHIBITION~~ OR ADEQUATE SUPPLIES OF NEEDED GOODS.
2. THERE HAS BEEN MUCH GRUMBLING AMONG PUBLIC AND OCCASIONAL OPEN PROTESTS, BUT OUR INFORMATION ~~LEAKS~~ SUGGESTS SHORTAGES ARE NOT MAJOR INDUCEMENTS TO OPEN REVOLT.

B. NO SIGNS OF ~~IMMINENT~~ IMPROVEMENT IN ECONOMY IN FORESEEABLE FUTURE.

1. PRESENT INDICATIONS ARE THAT THIS YEAR'S SUGAR CROP ~~WILL BE~~ MAINSTAY OF ECONOMY ~~WILL BE~~ LESS THAN LAST YEAR'S POOR CROP OF 4.8 MILLION TONS.

a. AVERAGE ANNUAL CROP NEARLY 6 MILLION TONS

b. SUGAR PRICES ON WORLD MARKET NOW NEAR 40-YEAR HIGH, BUT CUBA MAY NOT BENEFIT MUCH SINCE A GOOD PORTION OF ITS SUGAR EXPORTS GO TO SOVIET BLOC FOR BARTER.

2. NEGOTIATIONS NOW UNDERWAY ON LEVEL OF ~~THE~~ CUBA'S 1963 TRADE WITH SINO-SOVIET BLOC.

a. PRELIMINARY ANNOUNCEMENTS ON TALKS HAVE BEEN VAGUE AND HAVE MENTIONED ONLY THAT TRADE WILL INCREASE THIS YEAR.

b. IF ^{CUBA-BLOC} TRADE INCREASES THIS YEAR OVER LAST, IT WILL MEAN THAT CUBA RECEIVING COMMODITY CREDITS FROM BLOC, SINCE CUBA WILL HAVE FEWER EXPORTS THIS YEAR TO PAY FOR NEEDED IMPORTS.

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3. CUBA'S COMMERCE WITH NON-BLOC COUNTRIES CONTINUES TO SHRINK.

- a. THIS, IN TURN, MAKES IT INCREASINGLY EXPENSIVE FOR USSR TO KEEP CASTRO AFLOAT.



- d. CUBA IS DEPENDENT ON THE BLOC FOR ALMOST 80 PERCENT OF ITS IMPORTS, INCLUDING ALL ITS PETROLEUM AND AN INCREASING PROPORTION OF CONSUMER GOODS.

- e. UNLESS THE SOVIET BLOC IS WILLING TO INVEST EVEN MORE HEAVILY IN CUBA, SOME OF THE GRANDIOSE DEVELOPMENT PLANS WORKED OUT EARLIER IN THE CUBAN-SOVIET PARTNERSHIP WILL HAVE TO BE DEFERRED IN THE INTERESTS OF SIMPLY KEEPING THE COUNTRY AFLOAT.

II. POLITICALLY, THERE IS NO DETECTABLE CHANGE IN THE CASTRO REGIME'S GOALS AND METHODS.

- A. CASTRO STILL DEDICATED TO IMPLANTING THE COMMUNIST SYSTEM IN CUBA AND IS DETERMINED TO SURMOUNT ALL OBSTACLES.
- B. SOMETIME EARLY THIS YEAR HE IS EXPECTED TO LAUNCH HIS FORMAL POLITICAL MACHINE, "THE UNITED PARTY OF THE SOCIALIST REVOLUTION," MODELED AFTER BLOC COMMUNIST PARTIES.
1. PREPARATIONS FOR FORMATION OF PARTY HAVE BEEN UNDERWAY FOR SOME MONTHS AT MEETINGS THROUGHOUT THE COUNTRY OF LOCAL UNITS OF THE PROVISIONAL "INTEGRATED REVOLUTIONARY ORGANIZATIONS," THE PRECURSOR OF THE FORMAL PARTY.

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C. RECENT PUBLIC STATEMENTS BY REGIME LEADERS ON SINO-SOVIET DISPUTE HAVE SOUGHT TO GREATE IMPRESSION OF IMPARTIALITY.

1. CASTRO WAS APPARENTLY ANGERED BY SOVIET MISSILE WITHDRAWAL, BUT AWARE THAT HE CANNOT AFFORD TO JEOPARDIZE ~~THE~~ SOVIET ECONOMIC LIFELINE HE REALIZES HE MUST GO EASY.

a. ALSO, HE SEEMS EMOTIONALLY MORE ATTUNED TO THE CHINESE COMMUNIST "HARD" LINE AND HIS PUBLIC SPEECHES ON 2 and 15 JANUARY REFLECT THIS.

D. CASTRO'S CONTINUED HATRED FOR THE UNITED STATES IS EVIDENT IN ALL HIS SPEECHES AND, D SPITE RUMORS, NO ATTEMPT BY HIM AT RAPPROCHEMENT WITH US IS LIKELY.

E. RECENT PUBLIC STATEMENTS BY REGIME LEADERS EMPHASIZE IMPORTANT ROLE THEY SEE FOR CUBA IN LEADING THE "ANTI-IMPERIALIST REVOLUTION" IN LATIN AMERICA.

1. THEY ARE ADAMANT IN REJECTING ANY IDEA THAT THE "REVOLUTION" CAN BE ACCOMPLISHED IN ANY WAY OTHER THAN THROUGH VIOLENCE.

2. ~~STEERED~~ INCREASED CUBAN EFFORTS TO PROMOTE SUBVERSION IN LATIN AMERICA SEEM LIKELY IN COMING MONTHS.

3. ONE OF CUBA'S MOST EFFECTIVE MEANS OF SUBVERSION IS THE TRAINING IN CUBA OF THOUSANDS OF "STUDENTS" FROM OTHER LATIN AMERICAN COUNTRIES IN TACTICS OF GUERRILLA WARFARE AND IN MARXIST-LENINIST INDOCTRINATION.

a. IT IS ESTIMATED THAT LAST YEAR AT LEAST 1,000 AND PERHAPS AS MANY AS 1,500 INDIVIDUALS FROM OTHER LATIN AMERICAN COUNTRIES RECEIVED TRAINING IN CUBA IN GUERRILLA WARFARE.

D. WHILE MOST OF THE CUBAN PEOPLE ARE DISSATISFIED WITH THE CASTRO REGIME, THOSE ENGAGED IN ACTIVE RESISTANCE ARE RELATIVELY FEW.

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2. ~~xxxxxx~~ IN GENERAL, POTENTIAL FOR ACTIVE RESISTANCE IS HIGH IN CUBA,
~~xxxxxx~~ BUT THE REGIME'S PERVASIVE AND EFFECTIVE SECURITY NETWORK
~~xxx~~ MAKES IT SEEM FORTHARDY TO CUBANS CONSIDERING OPEN ACTION
~~xxx~~ AGAINST REGIME.

3. IN ADDITION, THEY LACK WEAPONS AND MEANS OF COMMUNICATIONS
AMONG THEM AND THEIR LEADERS IN EXILE ARE DIVIDED AMONG THEMSELVES.

III. MILITARILY, THE CASTRO REGIME CONT²INUES TO BE THE BEST EQUIPPED IN
LATIN AMERICA AND THE SOVIET UNION RETAINS ITS MILITARY PRESENCE IN CUBA.

A. WE ARE
HAVE CONCLUDED THAT SINCE LATE OCTOBER THE SOVIETS HAVE WITHDRAWN
42 STRATEGIC MISSILES AND 42 JET BOMBERS AND THEIR RELATED EQUIPMENT.
1. WE BELIEVE THAT THIS REPRESENTS ALL STRATEGIC WEAPONS PLACED IN
CUBA BY THE SOVIETS.

B. IN ADDITION, SOME 5,000 OF THE NEARLY ~~4~~ 22,000 SOVIET MILITARY PERSONNEL
IN CUBA AT THE PEAK OF THE CRISIS HAVE BEEN WITHDRAWN.